

## **CHAPTER 3-01-02 DEFINITIONS**

### **Section**

3-01-02-01

Definitions

3-01-02-02

Use of Words "Accountant" and "Accounting"

**3-01-02-01. Definitions.** Unless specifically stated otherwise, the following definitions are applicable throughout this title:

1. "Accountant" means either a certified public accountant (CPA) or a licensed public accountant (LPA), except as provided in section 3-01-02-02.
2. "Accounting concentration" means:
  - a. Through December 31, 1999, thirty semester credits or equivalent of accounting and business law education; and
  - b. After December 31, 1999, twenty-four semester credits or equivalent of accounting education, plus twenty-four credits of other business courses.
  - c. After December 31, 2004, twenty-four semester credits or equivalent of accounting education (not including principles of accounting or equivalent classes), plus twenty-four credits of other business courses (which could include principles of accounting or equivalent classes).
3. "AICPA" means the American institute of certified public accountants.
4. "Bookkeeping" means the maintaining of financial records and preparation of tax returns. Bookkeeping does not include the preparation of any financial statement or similar such documents on which language similar to that utilized by certified public accountants or licensed public accountants is placed including compilation and review language.
5. "Enterprise" means any person, persons, or entity, whether or not organized for profit, for which an accountant provides services.
6. "Financial statements" means a presentation of financial data, including any accompanying notes, intended to show financial position at a point in time or changes in financial position for a period of time in accordance with generally accepted accounting principles or another comprehensive basis of accounting. Incidental financial data included in management advisory services, reports to support recommendations to a client, and tax returns and supporting schedules are not financial statements.

7. "NSA" means the national society of accountants.
8. "NASBA" means the national association of state boards of accountancy.
9. "Practice of public accounting" does not include reviews conducted under the AICPA or NSA peer review programs or the AICPA's quality review program or the board's positive review program, or any other similar program approved by this board.

The terms "public practice", "practice", "practice of public accountancy", and "practice public accounting", shall be synonymous with the term "practice of public accounting".

**History:** Amended effective January 1, 1987; July 1, 1991; March 1, 1995; October 1, 1999; December 1, 2003; July 1, 2006.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-03

**3-01-02-02. Use of words "accountant" and "accounting".** Except as provided in subsections 2, 3, 4, 5, and 6 of the North Dakota Century Code section 43-02.2-12, a person or firm assuming or using any title or designation that includes the words "accountant" or "accounting" does not imply the person or firm holds a valid certificate, license, or permit issued under North Dakota Century Code chapter 43-02.2 or has special competence as an accountant or auditor, if the words are accompanied by a suitable disclaimer. For a person the disclaimer must state the person is not a CPA or LPA. For a firm the disclaimer must state the firm is not a CPA firm or LPA firm. The disclaimer is suitable if its location, size or volume, and form clearly informs the public.

**History:** Effective July 1, 2006.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-03, 43-02.2-12